



CITY OF LODI

COUNCIL COMMUNICATION

AGENDA TITLE: Ordinance No. 1730 Entitled, "An Ordinance Of The City Council Of The City Of Lodi Amending Title 13, Chapter 13.20, 'Electrical Service,' By Adding Section 13.20.225 Schedule NEM – Net Energy Metering"

MEETING DATE: May 7, 2003

PREPARED BY: City Clerk

RECOMMENDED ACTION: Following reading by title, it would be appropriate for the City Council to adopt the attached Ordinance No. 1730.

BACKGROUND INFORMATION: Ordinance No. 1730 entitled, "An Ordinance Of The City Council Of The City Of Lodi Amending Title 13, Chapter 13.20, 'Electrical Service,' By Adding Section 13.20.225 Schedule NEM – Net Energy Metering " was introduced at the regular City Council meeting of April 16, 2003.

Pursuant to State statute, an ordinance may be adopted five days after its introduction following reading by title.

This ordinance has been approved as to form by the City Attorney.

FUNDING: None required.


Susan J. Blackston
City Clerk

Attachment

APPROVED: _____


H. Dixon Flynn -- City Manager

ORDINANCE NO. 1730

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF
LODI AMENDING TITLE 13, CHAPTER 13.20, "ELECTRICAL
SERVICE," BY ADDING SECTION 13.20.225 SCHEDULE NEM
– NET ENERGY METERING

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BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LODI AS FOLLOWS:

SECTION 1. Section 13.20.225 is hereby added to the Lodi Municipal Code to read as follows:

**Schedule NEM
NET ENERGY METERING**

APPLICABILITY:

This net metering schedule is applicable to a residential and/or small commercial customers who meet the requirements of State of California law for net metering eligibility for small scale solar or wind turbine electrical generating facility, or a hybrid system of both, that is located on the customer's premises, operates in parallel with the electric grid, and is intended primarily to offset part or all of the customer's own electrical requirements (hereinafter "eligible customer-generator"). Availability of this schedule to eligible customer-generators will be on a first-come, first-served basis and will be available until such time the total rated generating capacity used by eligible customer-generators equals one-half of 1 percent of the City of Lodi aggregate customer annual peak demand. A generation agreement with the customer will specify the eligibility requirements and assist in determining eligibility.

TERRITORY:

The entire area served by the City of Lodi Electrical Utility Department.

RATES:

All rates charged under this schedule will be in accordance with the eligible customer-generator's otherwise-applicable residential or commercial rate schedule. An eligible customer-generator served under this schedule is responsible for all charges from its otherwise-applicable rate schedule including monthly customer charges. Charges for electricity supplied by the City will be based on the net-metered usage in accordance with Net Energy Metering and Billing (Special Condition c below).

SPECIAL CONDITIONS:

- a. Generation Agreement: A Generation Agreement with the customer is required for service under this schedule.
- b. Metering Equipment: Net energy metering shall be accomplished using a single meter capable of registering the flow of electricity in two directions. If customer's existing electrical meter is not capable of measuring the flow of electricity in two directions, the customer-generator shall be responsible for all expenses involved in purchasing and installing a meter that is capable of measuring electricity in both directions. If an additional meter or meters are necessary to monitor the electric generating system performance, the cost to install these meters will be the responsibility of the City.

- c. Net Energy Metering and Billing: Net Energy is defined as measuring the difference between the electricity supplied by the City through the electric grid to the eligible customer-generator and electricity generated by an eligible customer-generator and fed back into the electric grid over a 12-month period. In the event the energy generated exceeds the energy consumed during the 12-month period, payment shall be made for the excess energy delivered to the City's grid at the retail rate at which the customer is receiving regular service. The payment will be based upon the net amount as it relates to the tiers of consumption in the retail rate. If the customer is a net generator over a billing period, the net kilowatt-hours generated shall be valued at the same price per kilowatt-hour as the City would charge for the baseline quantity of electricity during that billing period. In addition, should the number of kilowatt-hours generated exceed the baseline quantity, the excess shall be valued at the same price per kilowatt-hour as the electric service provider would charge for electricity over the baseline quantity during that billing period.

In the event that the electricity supplied by the City during the 12-month period exceeds the electricity generated by the eligible customer-generator during the same period, the eligible customer is a net electricity consumer and the City shall bill the customer for the net consumption during the 12-month period based on the retail price per kilowatt-hour for eligible customer-generator's rate class over the same period.

The City shall provide the customer-generator with net electricity consumption information on each regular bill. That information shall include the current amount owed to the City for the net electricity consumed. Customer-generator may exercise the option to pay monthly for the net energy consumed.

SECTION 2. All ordinances and parts of ordinances in conflict herewith are repealed insofar as such conflict may exist.

SECTION 3. This ordinance shall be published one time in the "Lodi News-Sentinel," a daily newspaper of general circulation printed and published in the City of Lodi and shall take effect thirty days from and after its passage and approval.

Approved this 7th day of May, 2003



SUSAN HITCHCOCK
Mayor

Attest:



SUSAN J. BLACKSTON
City Clerk

State of California
County of San Joaquin, ss.

I, Susan J. Blackston, City Clerk of the City of Lodi, do hereby certify that Ordinance No. 1730 was introduced at a regular meeting of the City Council of the City of Lodi held April 16, 2003, and was thereafter passed, adopted and ordered to print at a regular meeting of said Council held May 7, 2003, by the following vote:

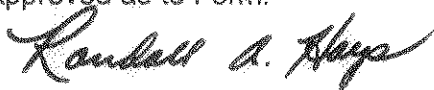
AYES: COUNCIL MEMBERS – Beckman, Hansen, Howard, Land, and Mayor
Hitchcock
NOES; COUNCIL MEMBERS – None
ABSENT: COUNCIL MEMBERS – None
ABSTAIN: COUNCIL MEMBERS – None

I further certify that Ordinance No. 1730 was approved and signed by the Mayor on the date of its passage and the same has been published pursuant to law.



SUSAN J. BLACKSTON
City Clerk

Approved as to Form:



RANDALL A. HAYS
City Attorney